

**MONTANA COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM
SUMMARY OF 1996
ECONOMIC DEVELOPMENT PROJECTS**

Locality: City of Belgrade

Project Number: 96-01
Name of Company: Op/Tech U.S.A., Inc.
Financing Date: 12/96
CDBG Funds: \$290,000
Other Funds: \$280,000
 Bank: \$200,000
 Equity: \$80,000
Total Project: \$570,000
Use of CDBG Funds: Equipment and Working Capital
Job Retention: 28
Job Creation: 16
LMI Jobs: 14

The City of Belgrade will provide a \$280,000 loan to Op/Tech USA, Inc. for working capital and equipment in conjunction with the expansion of its production and marketing operations. Op/Tech USA, Inc. manufactures neoprene straps, covers, and other innovative accessories for the luggage, music, photographic and outdoor recreational industries.

Locality: Hill County

Project Number: 96-02
Name of Company: Bear Paw RLF (4 Businesses)
Financing Date: 12/96
CDBG Funds: \$385,000
Other Funds: \$426,000
 Bank: \$202,000
 BPDC/RLF: \$80,000
 Equity: \$144,000
Total Project: \$811,000
Use of CDBG Funds: Equipment, Inventory, Building, FFE, and Working Capital
Job Retention: 15.5
Job Creation: 11.5
LMI Jobs: 18

Hill County, in cooperation with Blaine and Chouteau Counties, will provide loans in the amount of \$360,000 total to assist the retention or expansion needs of four businesses: Quality Appliances, Red River Supply, TGF Parts Stop and Wildcat Manufacturing. CDBG funds will be used as appropriate for the individual business needs for fixtures, furniture, equipment, land or building, and working capital financing. A total of 18 jobs will be made available to or filled by low and moderate income persons by these RLF projects.

As of October 10, 1997 Quality Appliance, Inc. has 3.5 jobs 1 LMI; Connie's Hardware has 4 jobs 4 LMI ; Red River Supply has 8R and 2C

Locality: Lake County

Project Number: 96-03

Name of Company: Montana Naturals Int'l, Inc.

Financing Date: 1/97

CDBG Funds: \$500,000

Other Funds: \$8,634,000

Bank: \$4,550,000

Equity: \$4,084,000

Total Project: \$9,134,000

Use of CDBG Funds: Renovation and Equipment

Job Retention: 69

Job Creation: 50

LMI Jobs:40

Lake County will provide a \$450,000 loan to Montana Naturals Int'l, Inc., a subsidiary of HealthRite, Inc. of Owings Mills, Maryland, to expand production capacity at their plant located in Arlee, Montana. The project supports the further expansion and consolidation for the production of FDA-quality vitamin supplements and encapsulated products at this facility. The county will administer the project through the Lake County Community Development Corporation. Loan repayments will further capitalize its community revolving loan fund to finance other economic development projects within the county.

Locality: Mineral County

Project Number: 96-04

Name of Company: Big Sky Forest Products

Financing Date: 1/97

CDBG Funds: \$500,000

Other Funds: \$610,000

Owner Equity: \$190,000

First Security Bank: \$310,000

Panhandle Forest Products: \$110,000

Total Project: \$1,110,000

Use of CDBG Funds: Machinery and Working Capital

Job Creation: 24

LMI Jobs: 24

Mineral County will provide a \$480,000 loan to Big Sky Forest Projects in St. Regis, Montana. The loan will finance machinery and working capital necessary for the start-up of its production facility for agricultural post and pole manufacturing. The business, a subsidiary of Panhandle Forest Products located in Idaho, will produce quality fencing stakes, trellis and railings at the former Northwestern Lumber and Cedar mill in St. Regis, which was closed several years ago.

The business will create 24 jobs for low-moderate income families.

Locality: Broadwater County

Project Number: 96-05

Name of Company: Broadwater Health Center

Financing Date: March 7, 1997

CDBG Funds: \$108,000

Other Funds: \$100,000

Bank: \$46,000

County: \$40,000

Hospital Foundation: \$14,000

Total Project: \$204,000

Use of CDBG Funds: Working Capital, Equipment and Physician Recruitment

Job Creation: Retain 68 full and part-time jobs

LMI Jobs: 51% LMI in Broadwater County

A \$100,000 loan to Broadwater Health Center to finance working capital, equipment and physician recruitment necessary to continue operations at the hospital, which provides essential medical services for the City of Townsend and Broadwater County. This funding will allow the hospital to continue operations and retain 68 jobs while hiring a physician and converting to a medical assistance facility.

Locality: City of Wolf Point

Project Number: 96-06

Name of Company: GNDC/RLF#2

Financing Date: 3/7/97

CDBG Funds: \$500,000

Other Funds: \$1,370,174

GNDC: \$70,174

Banks: \$1,300,000

Total Project: \$1,870,174

Use of CDBG Funds: Loans, TA, Equipment and Renovation

Job Creation: 32

LMI Jobs: 25

The City of Wolf Point will provide these CDBG funds to the Great Northern Development Corporation (GNDC) to finance further commercial building repairs, revolving loan fund (RLF) loans, and technical assistance for private businesses within an area with 54% low and moderate income residents. CDBG funds of \$425,000 will be loaned to ten qualifying businesses with the GNDC participating counties of Valley, Roosevelt, Sheridan, Daniels and McCone. The pledged financial participation of \$1,300,00 from nine area banks serves as a model for other regions of the state. Repayments from the loans will enable the continuation of the five-county RLF for the regional development corporation.

Locality: City of Belgrade

Project Number: 96-07
Name of Company: Pro Ag Designs
Financing Date: June 13, 1997
CDBG Funds: \$110,000
Other Funds:
Bank: \$182,000
SBA 504: \$148,000
Owner Equity: \$40,000
Local RLF: \$60,000
Total Project: \$540,000
Use of CDBG Funds: Equipment
Job Creation: 10
LMI Jobs: 8

The business will construct a new building which will be used to manufacture its agricultural hay-bale handling equipment, and the new larger Model 16K. CDBG loan funds of \$100,000 will be used to buy equipment necessary for this new production facility and expanded operations. Pro Ag Designs has been a leader in innovation for this type of equipment, and their machines pick up and stack a variety of sizes of the large square bales.

Locality: City of Havre

Project Number: 96-08
Name of Company: Great Northern Inn
Financing Date: June 18, 1997
CDBG Funds: \$430,000
Other Funds:
Bank: \$1,101,000
BPD: \$150,000
Equity: \$763,000
SBA 504: \$901,000
Total Project: \$3,345,000
Use of CDBG Funds: Equipment, Architect/Appraisal Fees & Debt Restructuring
Job Creation: 30
LMI Jobs: 25

The City will provide a loan of \$400,000 to the Great Northern Inn for financing equipment, architect and appraisal fees, and debt restructuring for facility development. The Great Northern Inn will consist of 65 units, meeting rooms, lounge and gift shop. This is a major expansion of an existing business, which will fulfill the local need for more lodging facilities and can accommodate larger conventions and meetings.

Locality: Butte Silver Bow County

Project Number: 96-09
Name of Company: ASiMI

Financing Date: 9/29/97
CDBG Funds: \$339,300
EDA Funds: \$942,700
Total Project: \$1,282,000
Use of CDBG Funds: Equipment and RLF
Job Creation: 83
LMI Jobs: 42

Butte has been awarded \$339,300 in Community Development Block Grant funds, \$25,000 will assist the local government in administration of the project and \$314,300 will be loaned to Advanced Silicon Materials, Inc. The new facility manufactures high purity polysilicon used primarily in the semiconductor industry as raw material for fabricating silicon wafers. The funds will be used for equipment financing which will support Phase II development of the Butte manufacturing facility and enable the Butte Local Development Corporation to capitalize their revolving loan fund. This award will be used as matching funds to an EDA revolving loan fund of over \$940,000, which will be loaned to other businesses in Butte-Silver Bow to help stimulate economic development, growth and jobs. The company proposes to create 83 good-paying jobs, 42 of which will benefit low and moderate income families.

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